House Daily Reader

Monday, February 14, 2000

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SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

995D0024

SENATE RETIREMENT LAWS COMMITTEE ENGROSSED NO. SB6 - 1/28/00

Introduced by: Senators Rounds, Albers, Brown (Arnold), Lawler, and Olson and Representatives Diedrich (Larry), Davis, Fiegen, Fischer-Clemens, and Michels at the request of the Interim Retirement Laws Committee

- 1 FOR AN ACT ENTITLED, An Act to provide for the increase of Class A employee and
- 2 employer contributions to the South Dakota Retirement System.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 3-12-71 be amended to read as follows:
- 5 3-12-71. The member shall make a contribution and the employer shall make an equal
- 6 contribution, except as otherwise specified, at the following rates:
- 7 (1) Class A members five percent of compensation through June 30, 2002, and six
- 8 percent of compensation after June 30, 2002;
- 9 (2) Justices, judges, and law-trained magistrates nine percent of compensation;
- 10 (3) All other Class B members eight percent of compensation.
- The employer shall cause to be deducted on each payroll of a member for each payroll period
- the contribution payable by the member as provided in this section.
- Effective July 1, 1984, contributions Contributions required of members by this section shall
- be made by the participating unit pursuant to the provisions of § 414(h)(2) of the Internal
- Revenue Code of 1954, as amended and in effect on January 1, 1984. Such contributions shall

- 1 be classified as member contributions for all purposes under this chapter. A member may not
- 2 receive the amount of such contributions directly rather than as contributions under this section.

- 2 1/11/00 First read in Senate and referred to Retirement Laws. S.J. 15
- 3 1/26/00 Scheduled for Committee hearing on this date.
- 4 1/26/00 Retirement Laws Do Pass Amended, Passed, AYES 5, NAYS 0. S.J. 220

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

285D0080

SENATE TAXATION COMMITTEE ENGROSSED NO. SB7 - 1/14/00

Introduced by: Senators Symens, Madden, and Vitter and Representatives McNenny, Chicoine, Engbrecht, Juhnke, Lintz, Sebert, Slaughter, Sutton (Duane), Waltman, and Young at the request of the Interim Tax Assessment Committee

- 1 FOR AN ACT ENTITLED, An Act to remove the legal presumption of correctness which
- 2 attaches to the assessed valuation determined by the director of equalization.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 10-3-16 be amended to read as follows:
- 5 10-3-16. The director of equalization, and his deputies, shall assess for taxation all property
- 6 subject to taxation, except property which the secretary of revenue has been directed to assess,
- 7 which is situated in the county or municipality for which the director is appointed, including all
- 8 property located within the corporate limits of municipalities each municipality. No legal
- 9 presumption of correctness attaches to the director's assessed valuation of property. Each county
- in this state is an assessment district.
- 11 Section 2. This Act is effective on November 1, 2000.

- 2 1/11/00 First read in Senate and referred to Taxation. S.J. 15
- 3 1/14/00 Scheduled for Committee hearing on this date.
- 4 1/14/00 Taxation Do Pass Amended, Passed, AYES 9, NAYS 0. S.J. 43

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

285D0081

HOUSE TAXATION COMMITTEE ENGROSSED NO. SB8 - 2/11/00

Introduced by: Senators Symens, Madden, Paisley, and Vitter and Representatives Waltman, Chicoine, Engbrecht, Juhnke, Lintz, McNenny, Sebert, Slaughter, Sutton (Duane), and Young at the request of the Interim Tax Assessment Committee

- 1 FOR AN ACT ENTITLED, An Act to revise certain provisions relating to the establishment of
- 2 a separate market value for land in an identifiable region.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 10-6-33.6 be amended to read as follows:
- 5 10-6-33.6. If the median <u>market</u> value per acre in an identifiable region within a county
- 6 deviates by more than ten percent from the county average median market value per acre, the
- 7 county director of equalization may establish a separate market value per acre for the land
- 8 defined by the director of equalization within that <u>identifiable</u> region.

- 2 1/11/00 First read in Senate and referred to Taxation. S.J. 15
- 3 1/14/00 Scheduled for Committee hearing on this date.
- 4 1/14/00 Taxation Do Pass, Passed, AYES 9, NAYS 0. S.J. 43
- 5 1/15/00 Senate Deferred to another day. S.J. 55
- 6 1/19/00 Senate Do Pass, Passed, AYES 27, NAYS 8. S.J. 120
- 7 1/20/00 First read in House and referred to Taxation. H.J. 170
- 8 2/10/00 Scheduled for Committee hearing on this date.
- 9 2/10/00 Taxation Do Pass Amended, Passed, AYES 12, NAYS 0. H.J. 557
- 10 2/10/00 Taxation Place on Consent Calendar.

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

400D0307

HOUSE JUDICIARY COMMITTEE ENGROSSED NO. SB21 - 2/1/00

Introduced by: The Committee on Judiciary at the request of the Attorney General

- 1 FOR AN ACT ENTITLED, An Act to allow for additional public distribution of sex offender
- 2 information.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 22-22-34 be amended to read as follows:
- 5 22-22-34. The Division of Criminal Investigation may make the file available to any regional
- 6 or national registry of sex offenders. The division shall accept files from any regional or national
- 7 registry of sex offenders and shall make such files available when if requested pursuant to
- 8 §§ 22-22-30 to 22-22-39, inclusive. The division may compile regional or statewide registration
- 9 lists for public inspection as provided by chapter 1-27 or public distribution, including electronic
- 10 or internet distribution.

- 2 1/11/00 First read in Senate and referred to Judiciary. S.J. 17
- 3 1/14/00 Scheduled for Committee hearing on this date.
- 4 1/14/00 Judiciary Do Pass, Passed, AYES 5, NAYS 1. S.J. 42
- 5 1/15/00 Senate Do Pass, Failed, AYES 14, NAYS 18. S.J. 61
- 6 1/15/00 Intent to reconsider. S.J. 61
- 7 1/18/00 Senate Reconsidered, AYES 27, NAYS 7. S.J. 69
- 8 1/19/00 Senate Deferred to another day. S.J. 120
- 9 1/20/00 Motion to Amend, Passed. S.J. 129
- 10 1/20/00 Senate Do Pass Amended, Passed, AYES 29, NAYS 5. S.J. 130
- 11 1/21/00 First read in House and referred to Judiciary. H.J. 185
- 12 1/31/00 Scheduled for Committee hearing on this date.
- 1/31/00 Judiciary Do Pass Amended, Passed, AYES 8, NAYS 5. H.J. 298

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

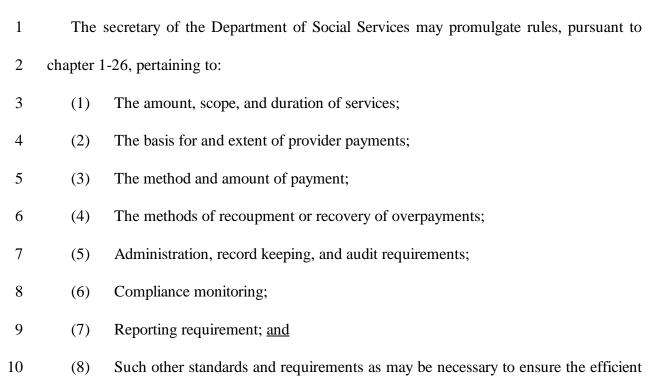
400D0351

SENATE EDUCATION COMMITTEE ENGROSSED NO. SB28 - 1/28/00

Introduced by: The Committee on Education at the request of the Department of Social Services

- 1 FOR AN ACT ENTITLED, An Act to provide payment of tuition costs to education programs
- 2 for students in governmental custody and to eliminate certain payments to educational
- 3 programs operated by public school districts.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 5 Section 1. That § 13-28-39 be amended to read as follows:
- 6 13-28-39. The Department of Social Services shall pay tuition costs and related service costs
- 7 for students in residential treatment centers or group care centers for minors who when the
- 8 educational program is not operated by a public school district and the students are under the
- 9 care and custody of the Department of Social Services, the Unified Judicial System Department
- of Corrections, or other entities approved by the secretary of the Department of Social Services.
- For students with disabilities residing in a foster home, the Department of Social Services shall
- pay for special education or special education and related services. Students residing in foster
- homes must be in the care and custody of the Department of Social Services, the Unified Judicial
- 14 System Department of Corrections, or other entities approved by the secretary of the
- 15 Department of Social Services. The Department of Social Services will have rate setting
- authority may set rates for tuition costs and related service costs.





operation and administration of the program.

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- 3 - SB 28

- 2 1/11/00 First read in Senate and referred to Education. S.J. 19
- 3 1/13/00 Scheduled for Committee hearing on this date.
- 4 1/18/00 Scheduled for Committee hearing on this date.
- 5 1/18/00 Education Do Pass, Passed, AYES 4, NAYS 2. S.J. 68
- 6 1/18/00 Referred to Education. S.J. 69
- 7 1/20/00 Scheduled for Committee hearing on this date.
- 8 1/27/00 Scheduled for Committee hearing on this date.
- 9 1/27/00 Education Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 219

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

400D0328

SENATE COMMERCE COMMITTEE ENGROSSED NO. SB33 - 1/14/00

Introduced by: The Committee on Commerce at the request of the Department of Commerce and Regulation

1 FOR AN ACT ENTITLED, An Act to define the duty of insurers and rights of consumers with 2 regard to auto insurance damage claims. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA: 4 Section 1. That chapter 58-12 be amended by adding thereto a NEW SECTION to read as 5 follows: 6 For the purposes of this Act, paintless dent repair is any auto body repair that removes minor 7 dents by using specifically designed tools to manipulate and flex the metal from the backside of 8 the dent without the necessity of sanding, priming, or painting. 9 Section 2. That chapter 58-12 be amended by adding thereto a NEW SECTION to read as 10 follows: 11 Any insurer providing commercial or personal motor vehicle insurance in this state 12 responsible for repairing a damaged vehicle for which it is liable shall provide sufficient 13 compensation to the insured to restore the vehicle to substantially the same physical condition 14 as prior to the damage, regardless of whether the insured actually chooses to repair the vehicle. 15 The insurer may adjust claims based in whole or in part upon the paintless dent repair method 16 if:

1	(1)	The dan	mage is such that the paintless dent repair method is likely to place the
2		damageo	d area or a portion thereof in substantially the same condition as prior to the
3		damage	;
4	(2)	A paint	less dent repair shop holding a South Dakota sales tax license is willing to
5		perform	the work as estimated within a reasonable time frame in the local market area
6		of the in	asured; and
7	(3)	The wri	tten estimate provided to the insured prominently discloses the following:
8		(a) T	That the repair estimate is based in whole or in part upon the paintless dent
9		re	epair method. Each item of damage adjusted using that method shall be
10		ic	dentified;
11		(b) T	that paintless dent repair may not be the appropriate repair method for all
12		ty	ypes of damage;
13		(c) T	That, if the insurer is liable for the damage listed on the estimate, the insurer
14		sl	hall provide sufficient compensation to restore the vehicle to substantially the
15		Sa	ame physical condition; and
16		(d) T	That for any damage which paintless dent repair is appropriate, the insured may
17		cl	hoose not to repair the vehicle or to have the vehicle repaired using a different
18		n	nethod of repair. If the insured chooses either of these options, the insurer is
19		li	able only for the cost of the paintless dent repair method.
20	If, for	any porti	on of the vehicle's damage that the insurer has a duty to repair, the paintless
21	dent repa	ir method	d is inappropriate, the insurer shall compensate the insured for the amount
22	necessary	to comp	lete the repairs in the local market area of the insured. The insurer may not
23	require th	e insured	to travel an unreasonable distance to obtain a repair estimate or to have the
24	vehicle re	paired. Th	ne insurer may not name a repair shop as payee on a compensation check or

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draft unless agreed to by the insured.

- 3 - SB 33

- 2 1/11/00 First read in Senate and referred to Commerce. S.J. 20
- 3 1/13/00 Scheduled for Committee hearing on this date.
- 4 1/13/00 Commerce Do Pass Amended, Passed, AYES 5, NAYS 0. S.J. 36
- 5 1/13/00 Commerce Place on Consent Calendar.

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

813D0287

SENATE EDUCATION COMMITTEE ENGROSSED NO. SB59 - 1/26/00

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsors.

Introduced by: Senators Albers, Madden, and Vitter and Representatives Engbrecht and Hennies

- 1 FOR AN ACT ENTITLED, An Act to clarify certain provisions related to the filing of student
- 2 birth certificates.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 13-27-3.1 be amended to read as follows:
- 5 13-27-3.1. Any person who is required pursuant to § 13-27-1 to cause any child to attend
- 6 any public or nonpublic school or alternative instruction program pursuant to § 13-27-3 in this
- state shall, either at the time of enrollment in any school in this state or upon being excused from
- 8 school attendance pursuant to § 13-27-3 or within thirty days of initial enrollment or excuse,
- 9 provide the <u>public or nonpublic</u> school <u>or the alternative instruction program</u> with a certified
- 10 copy of such the child's birth certificate or affidavit in lieu of birth certificate as issued by the
- 11 Department of Health in such cases where the original birth certificate is deemed unattainable.
- Any parent or guardian who requests an excuse for his or her child pursuant to § 13-27-3, shall
- with the initial request for excuse, provide a certified copy of the child's birth certificate or an
- 14 <u>affidavit notarized or witnessed by two or more witnesses, swearing or affirming that the child</u>
- 15 identified on the request for excuse is the same person appearing on the child's certified birth

- 1 <u>certificate.</u> A violation of this section is a Class 2 misdemeanor.
- 2 Section 2. That § 13-27-3.2 be amended to read as follows:
- 3 13-27-3.2. Any copy of any certified birth certificate provided pursuant to § 13-27-3.1 shall
- 4 be maintained by the <u>public or nonpublic</u> school <u>or alternative instruction program</u> and shall
- 5 become be a part of the child's permanent <u>cumulative</u> school record.
- 6 Section 3. That § 13-27-3.3 be amended to read as follows:
- 7 13-27-3.3. The superintendent of any public or nonpublic school <u>or any person who provides</u>
- 8 <u>alternative instruction</u> in this state <u>who maintains a child's permanent cumulative school record</u>
- 9 shall regularly report to the state's attorney school board of the district the name and address of
- any child for whom the school whose permanent cumulative record does not have a copy of a
- certified birth certificate in violation of § 13-27-3.1 or 13-27-3.2. Upon receipt of the report of
- violation, the school board shall notify by certified mail the parent or guardian of the child whose
- record is in violation of §§ 13-27-3.1 and 13-27-3.2. If the violation is not corrected within thirty
- 14 days after the report, the school board of the district shall notify the state's attorney.

- 3 - SB 59

- 2 1/15/00 First read in Senate and referred to Education. S.J. 57
- 3 1/20/00 Scheduled for Committee hearing on this date.
- 4 1/20/00 Education Deferred to another day, AYES 4, NAYS 2.
- 5 1/25/00 Education Hog Housed.
- 6 1/25/00 Scheduled for Committee hearing on this date.
- 7 1/25/00 Education Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 181

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

910D0019

SENATE EDUCATION COMMITTEE ENGROSSED NO. SB71 - 1/26/00

Introduced by: Senators Brosz, Everist, Olson, and Reedy and Representatives Konold, Davis, Duniphan, Lockner, and Solum

- 1 FOR AN ACT ENTITLED, An Act to remove certain restrictions relating to the use of school
- 2 buses.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 13-29-1 be amended to read as follows:
- 5 13-29-1. The school board of any school district may acquire, own, operate, or hire buses
- 6 for the transportation of students to and from its schools either from within or without the
- 7 district or for transportation to and from athletic, musical, speech, and other interscholastic
- 8 contests in which participation is authorized by the school board. If the use of a school bus is
- 9 granted by the school board pursuant to subdivision 49-28-2(1) or (8), the school district is not
- 10 liable for suit or damages which may arise as the result of the use. The school board may
- authorize the use of the buses owned by the board for transportation of adults pursuant to
- subdivision 49-28-2(1) or (7). The provisions to transport adults, provided in this section, shall
- 13 not apply to school districts which contain a first class municipality. Use of a school bus for
- transportation of persons enumerated in subdivision 49-28-2(7) is limited to providing shelter,
- 15 health care, nutrition, religious activities and other necessities of life.
- Section 2. That chapter 13-29 be amended by adding thereto a NEW SECTION to read as



1 follows:

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A school board may allow nonprofit civic organizations or other government entities to use vehicles owned by the school district to transport persons to various activities deemed by the school board to be in the public interest. A school board may adopt policies for the use of its vehicles by other organizations. If the use of a school bus is granted by a school board, the school district is not liable for suit or damages which may result from the operation of the bus

by a nonprofit civic organization or other government entity.

- 3 - SB 71

- 2 1/15/00 First read in Senate and referred to Education. S.J. 59
- 3 1/20/00 Scheduled for Committee hearing on this date.
- 4 1/25/00 Scheduled for Committee hearing on this date.
- 5 1/25/00 Education Do Pass Amended, Passed, AYES 6, NAYS 0. S.J. 182

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

517D0439

SENATE STATE AFFAIRS COMMITTEE ENGROSSED NO. SB75 - 1/24/00

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsors.

Introduced by: Senators Halverson, Dunn (Jim), Hutmacher, Olson, and Rounds and Representatives Brown (Richard), Apa, Cutler, Fischer-Clemens, and Haley

1 FOR AN ACT ENTITLED, An Act to revise certain provisions relating to the South Dakota 2 Insurance Guaranty Association. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA: 4 Section 1. This Act applies to any kind of direct insurance, but does not apply to: 5 (1) Life, annuity, health, or disability insurance; (2) 6 Mortgage guaranty, financial guaranty, or other forms of insurance offering protection 7 against investment risks; (3) Fidelity or surety bonds, or any other bonding obligations; 9 (4) Credit insurance, vendors' single-interest insurance, or collateral protection insurance, 10 or any similar insurance protecting the interests of a creditor arising out of a creditor-11 debtor transaction: 12 (5) Insurance of warranties or service contracts including insurance that provides for the 13 repair, replacement, or service of goods or property or indemnification for repair, 14 replacement, or service for the operational or structural failure of the goods or 15 property due to a defect in materials or workmanship or to normal wear and tear, or

1		provides reimbursement for the liability incurred by the issuer of agreements or
2		service contracts that provide such benefits;
3	(6)	Title insurance;
4	(7)	Ocean marine insurance;
5	(8)	Any transaction or combination of transactions between a person, including affiliates
6		of the person, and an insurer, including affiliates of the insurer, that involves the
7		transfer of investment or credit risk unaccompanied by a transfer of insurance risk; or
8	(9)	Any insurance provided by or guaranteed or reinsured by any governmental body.
9	Section	on 2. Terms used in this Act mean:
10	(1)	"Account," any one of the three accounts created by this Act;
11	(2)	"Affiliate," any person who, directly or indirectly, through one or more intermediaries,
12		controls, is controlled by, or is under common control with an insolvent insurer on
13		December thirty-first of the year immediately preceding the date the insurer becomes
14		an insolvent insurer;
15	(3)	"Association," the South Dakota Insurance Guaranty Association created under this
16		Act;
17	(4)	"Claimant," any insured making a first party claim or any person instituting a liability
18		claim. No person who is an affiliate of the insolvent insurer may be a claimant;
19	(5)	"Director," the director of the Division of Insurance of the Department of Commerce
20		and Regulation;
21	(6)	"Control," the possession, direct or indirect, of the power to direct or cause the
22		direction of the management and policies of a person, whether through the ownership
23		of voting securities, by contract other than a commercial contract for goods or
24		nonmanagement services, or otherwise, unless the power is the result of an official
25		position with or corporate office held by the person. Control is presumed to exist if

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1		a per	son, directly or indirectly, owns, controls, holds with the power to vote, or holds
2		proxi	es representing ten percent or more of the voting securities of any other person.
3		This	presumption may be rebutted by a showing that control does not exist in fact;
4	(7)	"Cov	vered claim," an unpaid claim, including one for unearned premiums, submitted
5		by a	claimant, which arises out of and is within the coverage and is subject to the
6		appli	cable limits of an insurance policy to which this Act applies issued by an insurer,
7		if the	e insurer becomes an insolvent insurer after July 1, 1970, and:
8		(a)	The claimant or insured is a resident of this state at the time of the insured
9			event. However, for entities other than an individual, the residence of a
10			claimant, insured, or policyholder is the state in which its principal place of
11			business is located at the time of the insured event; or
12		(b)	The claim is a first party claim for damage to property with a permanent
13			location in this state.
14		The	term, covered claim, does not include:
15		(a)	Any amount awarded as punitive or exemplary damages;
16		(b)	Any amount sought as a return of premium under any retrospective rating plan;
17		(c)	Any amount due any reinsurer, insurer, insurance pool, or underwriting
18			association as subrogation recoveries, reinsurance recoveries, contribution,
19			indemnification, or otherwise. No claim for any amount due any reinsurer,
20			insurer, insurance pool, or underwriting association may be asserted against a
21			person insured under a policy issued by an insolvent insurer other than to the
22			extent the claim exceeds the association obligation limitations set forth in this
23			Act;
24		(d)	Any first party claims by an insured whose net worth exceeds fifty million
25			dollars on December thirty-first of the year immediately preceding the year in

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1		which the insurer becomes an insolvent insurer. However, an insured's net
2		worth on that date shall be deemed to include the aggregate net worth of the
3		insured and any of its subsidiaries as calculated on a consolidated basis; or
4		(e) Any first party claims by an insured which is an affiliate of the insolvent insurer;
5	(8)	"Insolvent insurer," an insurer authorized to transact insurance in this state, either at
6		the time the policy was issued or when the insured event occurred, and against whom
7		a final order of liquidation has been entered after July 1, 1970, with a finding of
8		insolvency by a court of competent jurisdiction in the insurer's state of domicile;
9	(9)	"Member insurer," any person who:
10		(a) Writes any kind of insurance to which this Act applies, including the exchange
11		of reciprocal or interinsurance contracts; and
12		(b) Is licensed to transact insurance in this state except companies defined in
13		chapter 58-35.
14		An insurer shall cease to be a member insurer effective on the day following the
15		termination or expiration of its license to transact the kinds of insurance to which this
16		Act applies, however, the insurer shall remain liable as a member insurer for any
17		obligations, including obligations for assessments levied prior to the termination or
18		expiration of the insurer's license and assessments levied after the termination or
19		expiration, with respect to any insurer that became an insolvent insurer prior to the
20		termination or expiration of the insurer's license;
21	(10)	"Net direct written premiums," direct gross premiums written in this state on
22		insurance policies to which this Act applies, less return premiums thereon and
23		dividends paid or credited to policyholders on such direct business. The term, net
24		direct written premiums, does not include premiums on contracts between insurers or

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reinsurers;

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1 (11) "Person," any individual, corporation, partnership, association, or voluntary organization;

- (12) "Unearned premium," the premium for the unexpired period of a policy that has been terminated prior to the expiration of the period for which the premium has been paid.
 The term does not include any premium that is returnable to the insured for any other reason.
- Section 3. There is created a nonprofit unincorporated legal entity to be known as the South Dakota Insurance Guaranty Association. Any insurer defined as a member insurer in subdivision (8) of section 2 of this Act is a member of the association as a condition of its authority to transact insurance in this state. The association shall perform its functions under a plan of operation established and approved under sections 30 to 44, inclusive, of this Act and shall exercise its powers through a board of directors established under sections 4 and 5 of this Act. Section 4. The board of directors of the association shall consist of seven persons, each of

whom shall be appointed by the director for a term of three years and until a successor has been appointed and qualified. The director shall consult with member insurers concerning their recommendations for the board of directors. Any vacancy on the board shall be filled for the remaining period of the term by a majority vote of the remaining board members subject to the approval of the director.

- Section 5. In approving selections to the board, the director shall consider, among other things, whether all member insurers are fairly represented. No less than two members of the board shall be domestic insurers.
- Section 6. Members of the board may be reimbursed from the assets of the association for expenses incurred by them as members of the board of directors.
- Section 7. The association may:

(1) Employ or retain such persons as are necessary to handle claims and perform other

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duties of the association;

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- 2 (2) Borrow funds necessary to effect the purposes of this Act in accord with the plan of operation;
- Sue or be sued. The power to sue includes the power and right to intervene as a party before any court in this state that has jurisdiction over an insolvent insurer as defined by this Act;
 - (4) Negotiate and become a party to such contracts as are necessary to carry out the purpose of this Act;
- 9 (5) Perform such other acts as are necessary or proper to effectuate the purpose of this
 10 Act.
 - Section 8. The association is exempt from payment of all fees and all taxes levied by this state or any of its subdivisions except taxes levied on real property.
 - Section 9. To aid in the detection and prevention of insurer insolvencies, it is the duty of the board of directors, upon majority vote, to notify the director of any information indicating any member insurer may be insolvent or in a financial condition hazardous to the policyholders or the public.
- 17 Section 10. To aid in the detection and prevention of insurer insolvencies, the board of 18 directors may, upon majority vote, request that the director order an examination of any member 19 insurer which the board in good faith believes may be in a financial condition hazardous to the 20 policyholders or the public. Within thirty days of the receipt of such request, the director shall 21 begin the examination. The examination may be conducted as a National Association of 22 Insurance Commissioners' examination or may be conducted by such persons as the director 23 designates. The cost of the examination shall be paid by the association and the examination 24 report shall be treated as are other examination reports. In no event may the examination report 25 be released to the board of directors prior to its release to the public, but this does not preclude

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1 the director from complying with section 11 of this Act. The director shall notify the board of

- 2 directors when the examination is completed. The request for an examination shall be kept on
- 3 file by the director but it may not be open to public inspection prior to the release of the
- 4 examination report to the public.
- 5 Section 11. The director shall report to the board of directors when the director has
- 6 reasonable cause to believe that any member insurer examined or being examined at the request
- 7 of the board of directors may be insolvent or in a financial condition hazardous to the
- 8 policyholders or the public.
- 9 Section 12. The board of directors may, upon majority vote, make recommendations to the
- director for the detection and prevention of insurer insolvencies.
- 11 Section 13. The board of directors may, upon majority vote, make recommendations to the
- director on matters generally related to improving or enhancing regulation for solvency.
- 13 Section 14. The board of directors may, at the conclusion of any domestic insurer insolvency
- in which the association was obligated to pay covered claims, prepare a report on the history and
- causes of such insolvency, based on the information available to the association, and submit the
- 16 report to the director.
- 17 Section 15. The association shall be obligated to pay covered claims existing prior to the
- order of liquidation arising within thirty days after the order of liquidation, or before the policy
- 19 expiration date if less than thirty days after the order of liquidation, or before the insured replaces
- 20 the policy or causes its cancellation, if the insured does so within thirty days of the order of
- 21 liquidation. The obligation shall be satisfied by paying to the claimant an amount as follows:
- 22 (1) The full amount of a covered claim for benefits under a workers' compensation
- 23 insurance coverage;
- 24 (2) An amount not exceeding twenty-five thousand dollars per policy for a covered claim
- 25 for the return of unearned premium;

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(3) An amount not exceeding three hundred thousand dollars per claim for all other covered claims.

In no event is the association obligated to a claimant in an amount in excess of the obligation of the insolvent insurer under the policy or coverage from which the claim arises. Notwithstanding any other provisions of this Act, a covered claim does not include a claim filed with the association after the earlier of (i) eighteen months after the date of the order of liquidation, or (ii) the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer and does not include any claim filed with the association or a liquidator for protection afforded under the insured's policy for incurred-but-not-reported losses. The association shall pay only that amount of each unearned premium which is in excess of one hundred dollars.

Any obligation of the association to defend an insured shall cease upon the association's (i) payment, by settlement releasing the insured or on a judgment, of an amount equal to the lesser of the association's covered claim obligation limit, or the applicable policy limit, or (ii) tender of such amount.

Notwithstanding any other provisions of this Act, except in the case of a claim for benefits under workers' compensation coverage, any obligation of the association to any person shall cease when ten million dollars has been paid in the aggregate by the association and any associations similar to the association of any other state or states or any property/casualty security fund which obtains contributions from insurers on a pre-insolvency basis, to or on behalf of any insured and its affiliates on covered claims or allowed claims arising under the policy or policies of any one insolvent insurer. For purposes of this section, the term, affiliate, means a person who, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. If the association determines that there may be more than one claimant having a covered claim or allowed claim against the association or any

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associations similar to the association or any property/casualty insurance security fund in other states, under the policy or policies of any one insolvent insurer, the association may establish a plan to allocate amounts payable by the association in such manner as the association in its

4 discretion deems equitable.

Section 16. The association shall be deemed the insurer to the extent of its obligation on the covered claims and to such extent, subject to the limitations provided in this Act, shall have all rights, duties, and obligations of the insolvent insurer as if the insurer had not become insolvent, including the right to pursue and retain salvage and subrogation recoverable on paid covered claim obligations. The association may not be deemed the insolvent insurer for any purpose relating to the issue of whether the association is amenable to the personal jurisdiction of the courts of any state.

Section 17. The association shall investigate claims brought against the association and adjust, compromise, settle, and pay covered claims to the extent of the association's obligation and deny any other claims and may review settlements, releases, and judgments to which the insolvent insurer or its insureds were parties to determine the extent to which such settlements, releases, and judgments may be properly contested. The association may appoint and direct legal counsel retained under liability insurance policies for the defense of covered claims.

Section 18. The association shall have the right to recover from the following persons the amount of any covered claim paid on behalf of such person pursuant to this chapter:

- (1) Any insured whose net worth on December thirty-first of the year next preceding the date the insurer becomes an insolvent insurer exceeds fifty million dollars and whose liability obligations to other persons, including obligations under workers' compensation insurance coverages, are satisfied in whole or in part by payments made under this chapter; and
- (2) Any person who is an affiliate of the insolvent insurer and whose liability obligations

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to other persons are satisfied in whole or in part by payments made under this Act.

- 2 The term, affiliate, does not include any agent or broker of the insolvent insurer.
- 3 Section 19. The association shall handle claims through its employees or through one or
- 4 more insurers or other persons designated as servicing facilities. Designation of a servicing
- 5 facility is subject to the approval of the director, but such designation may be declined by a
- 6 member insurer.
- 7 Section 20. The association shall reimburse each servicing facility for obligations of the
- 8 association paid by the facility and for expenses incurred by the facility while handling claims on
- 9 behalf of the association and shall pay the other expenses of the association authorized by this
- 10 Act.
- 11 Section 21. For purposes of administration and assessment, the association shall be divided
- into three separate accounts:
- 13 (1) The workers' compensation insurance account;
- 14 (2) The automobile insurance account; and
- 15 (3) The account for all other insurance to which this Act applies.
- Section 22. The association shall allocate claims paid and expenses incurred among the three
- accounts separately, and assess member insurers separately for each account amounts necessary
- to pay the obligations of the association under section 15 of this Act subsequent to an insolvency,
- 19 the expenses of handling covered claims subsequent to an insolvency, the cost of examinations
- 20 under section 10 of this Act and other expenses authorized by this Act, except that expenses paid
- 21 from assessments authorized by section 23 of this Act need not be allocated to any particular
- 22 account.
- Section 23. In addition to any other assessments authorized by this Act, the association may
- 24 assess each member insurer an administrative assessment not to exceed one hundred fifty dollars
- 25 per annum. The administrative assessment shall be made for the purpose of paying operating

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1 expenses of the association and its employees not directly attributable to any particular

- 2 insolvency or insolvent insurer, and the administrative assessment may not be on a pro rata basis.
- 3 The assessments are due not less than thirty days after prior written notice to the member insurer
- 4 and shall accrue interest at ten percent per annum on and after the due date.
- 5 Section 24. The assessments of each member insurer shall be in the proportion that the net
- 6 direct written premiums of the member insurer for the preceding calendar year on the kinds of
- 7 insurance in the account bears to the net direct written premiums of all member insurers for the
- 8 preceding calendar year on the kinds of insurance in the account. The assessment is due not less
- 9 than thirty days after prior written notice to the member insurer and shall accrue interest at ten
- percent per annum on and after the due date.
- 11 Section 25. No member insurer may be assessed in any year on any account an amount
- greater than two percent of that member insurer's net direct written premiums for the preceding
- calendar year on the kinds of insurance in the account.
- Section 26. Each member insurer may set off against any assessment, authorized payments
- made on covered claims and expenses incurred in the payment of such claims by the member
- insurer if they are chargeable to the account for which the assessment is made.
- 17 Section 27. The association may exempt or defer, in whole or in part, the assessment of any
- member insurer, if the assessment would cause the member insurer's financial statement to reflect
- 19 amounts of capital or surplus less than the minimum amounts required for a certificate of
- authority by any jurisdiction in which the member insurer is authorized to transact insurance.
- However, during the period of deferment, no dividends may be paid to shareholders or
- 22 policyholders. Deferred assessments shall be paid when such payment will not reduce capital or
- 23 surplus below required minimums. Such payments shall be refunded to those companies receiving
- larger assessments by virtue of the deferment, or at the election of any such company, credited
- against future assessments.

Section 28. If the maximum assessment, together with the other assets of the association in

- 2 any account, does not provide in any one year in any account an amount sufficient to make all
- 3 necessary payments from that account, the funds available shall be prorated and the unpaid
- 4 portion shall be paid as soon thereafter as funds become available.
- 5 Section 29. The association may refund to the member insurers in proportion to the
- 6 contribution of each member insurer to that account that amount by which the assets of the
- account exceed the liabilities, if, at the end of any calendar year, the board of directors finds that
- 8 the assets of the association in any account exceed the liabilities of that account as estimated by
- 9 the board of directors for the coming year.
- Section 30. The association shall submit to the director a plan of operation and any
- amendments necessary or suitable to assure the fair, reasonable, and equitable administration of
- the association. The plan of operation and any amendments is effective upon approval in writing
- 13 by the director.
- 14 Section 31. The plan of operation shall:
- 15 (1) Establish the procedures whereby all the powers and duties of the association under
- sections 7, 15 to 20, inclusive, and 22 to 29, inclusive, of this Act will be performed;
- 17 (2) Establish procedures for handling assets of the association;
- 18 (3) Establish the amount and method of reimbursing members of the board of directors
- under section 6 of this Act;
- 20 (4) Establish procedures by which claims may be filed with the association and establish
- 21 acceptable forms of proof of covered claims. Notice of claims to the receiver or
- liquidator of the insolvent insurer shall be deemed notice to the association or its
- agent and a list of such claims shall be periodically submitted to the association or
- similar organization in another state by the receiver or liquidator;
- 25 (5) Establish regular places and times for meetings of the board of directors;

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1 (6) Establish procedures for records to be kept of all financial transactions of the association, its agents, and the board of directors;

- (7) Provide that any member insurer aggrieved by any final action or decision of the association may appeal to the director within thirty days after the action or decision;
- (8) Establish the procedures whereby selections for the board of directors will be submitted to the director;
- 7 (9) Establish procedures for the disposition of liquidating dividends or other moneys 8 received from the estate of the insolvent insurer;
- 9 (10) Contain additional provisions necessary or proper for the execution of the powers and duties of the association;
 - Section 32. All member insurers shall comply with the plan of operation. Violation of this section is a Class 2 misdemeanor.
 - Section 33. The plan of operation may provide that any or all powers and duties of the association, except those under subdivision (2) of section 7 of this Act and those under sections 22 to 28, inclusive, of this Act are delegated to a corporation, association, or other organization which performs or will perform functions similar to those of this association, or its equivalent, in two or more states. Such a corporation, association, or organization shall be reimbursed as a servicing facility would be reimbursed and shall be paid for its performance of any other functions of the association. A delegation under this section shall take effect only with the approval of both the board of directors and the director, and may be made only to a corporation, association, or organization which extends protection not substantially less favorable and effective than that provided by this Act.
 - Section 34. If at any time the association fails to submit suitable amendments to the plan of operation, the director shall, after notice and hearing, promulgate such reasonable rules as are necessary or advisable to effectuate the provisions of this Act. The rules shall continue in force

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1 until modified by the director or superseded by a plan submitted by the association and approved

2 by the director.

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- 3 Section 35. The director shall notify the association of the existence of an insolvent insurer
- 4 not later than three days after the director receives notice of the determination of the insolvency.
- 5 The association is entitled to a copy of any complaint seeking an order of liquidation with a
- 6 finding of insolvency against a member company at the same time that the complaint is filed with
- 7 a court of competent jurisdiction.
- 8 Section 36. The director shall, upon request of the board of directors, provide the association
- 9 with a statement of the net direct written premiums of each member insurer.
 - Section 37. Any proceeding in which the insolvent insurer is a party or is obligated to defend a party in any court in this state shall, subject to waiver by the association in specific cases involving covered claims, be stayed until the last day fixed by the court for the filing of claims and such additional time thereafter as may be determined by the court from the date the insolvency is determined or an ancillary proceeding is instituted in the state, whichever is later, to permit proper defense by the association of all pending causes of action. As to any covered claims arising from a judgment under any decision, verdict, or finding based on the default of the insolvent insurer or its failure to defend an insured, the association, either on its own behalf or on behalf of such insured, may apply to have the judgment, order, decision, verdict, or finding set aside by the same court or administrator that made the judgment, order, decision, verdict, or finding and shall be permitted to defend against the claim on the merits.
 - Section 38. The director may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer that fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the director may levy a fine on any member insurer which fails to pay an assessment when due. The fine may not exceed five percent of the unpaid assessment per month, except that no fine may be less than one

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- 1 hundred dollars per month.
- 2 Section 39. The director may revoke the designation of any servicing facility if the director
- 3 finds claims are being handled unsatisfactorily.
- 4 Section 40. Any person having a claim against an insurer, whether or not the insurer is a
- 5 member insurer, under any provision in an insurance policy other than a policy of an insolvent
- 6 insurer which is also a covered claim, shall be required to first exhaust any right under the policy.
- Any amount payable on a covered claim under this Act shall be reduced by the amount of any
- 8 recovery under the insurance policy.
- 9 Section 41. Any person having a claim which may be recovered under more than one
- insurance guaranty association or its equivalent shall seek recovery first from the association of
- the place of residence of the insured except that if it is a first-party claim for damage to property
- 12 with a permanent location, the person shall seek recovery first from the association of the
- location of the property, and if it is a workers' compensation claim, the person shall seek
- recovery first from the association of the residence of the claimant. Any recovery under this Act
- shall be reduced by the amount of recovery from any other insurance guaranty association or its
- 16 equivalent.
- 17 Section 42. Any person recovering under this Act shall be deemed to have assigned that
- person's rights under the policy to the association to the extent of any recovery from the
- 19 association. Every insured or claimant seeking the protection of this Act shall cooperate with the
- association to the same extent as such person would have been required to cooperate with the
- 21 insolvent insurer.
- Section 43. The association has no cause of action against the insured of the insolvent insurer
- for any sums it has paid out, except such causes of action as the insolvent insurer would have had
- 24 if the sums had been paid by the insolvent insurer and except as provided in section 18 of this
- 25 Act.

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1 Section 44. In the case of an insolvent insurer operating on a plan with assessment liability,

- payments of claims of the association may not operate to reduce the liability of insureds to the
- 3 receiver, liquidator, or statutory successor for unpaid assessments.
- 4 Section 45. The receiver, liquidator, or statutory successor of an insolvent insurer is bound
- 5 by determinations of covered claim eligibility under this Act and by settlements of claims made
- 6 by the association or a similar organization in another state. The court having jurisdiction shall
- 7 grant such claims priority equal to that which the claimant would have been entitled in the
- 8 absence of this Act against the assets of the insolvent insurer. The expenses of the association
- 9 or similar organization in handling claims shall be accorded the same priority as the liquidator's
- 10 expenses.

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- Section 46. The association shall periodically file with the receiver or liquidator of the
- 12 insolvent insurer statements of the covered claims paid by the association and estimates of
- anticipated claims on the association which shall preserve the rights of the association against the
- 14 assets of the insolvent insurer.
- 15 Section 47. The association is subject to examination and regulation by the director. The
- board of directors shall submit, not later than March thirtieth of each year, a financial report for
- 17 the preceding calendar year in a form approved by the director.
- Section 48. There is no liability on the part of and no cause of action of any nature may arise
- against any member insurer, the association or its agents or employees, the board of directors,
- any person serving as a representative of any director, or the director or the director's
- 21 representatives for any action taken or any failure to act by them in the performance of their
- 22 powers and duties under this Act.
- Section 49. Any final action or order of the director under this Act is subject to judicial
- review in a court of competent jurisdiction.
- Section 50. The rates and premiums charged for insurance policies to which this Act applies

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shall include amounts sufficient to recoup a sum equal to the amounts paid to the association by

- 2 the member insurer less any amounts returned to the member insurer by the association and such
- 3 rates may not be deemed excessive because they contain an amount reasonably calculated to
- 4 recoup assessments paid by the member insurer.
- 5 Section 51. It is unfair trade practice for any insurer or agent to in any manner make use of
- 6 the protection given policyholders by this Act as a reason for buying insurance from the insurer
- 7 or agent.
- 8 Section 52. The association shall pay claims in any order which it deems reasonable,
- 9 including the payment of claims as such are received from the claimants or in groups or
- 10 categories of claims.
- Section 53. The association and any similar organization in another state shall be recognized
- as claimants in the liquidation of an insolvent insurer for any amounts paid by them on covered
- claims obligations as determined under this Act or similar laws in other states and shall receive
- dividends and any other distributions at the priority set forth in § 58-29B-124.
- 15 Section 54. The liquidator, receiver, or statutory successor of an insolvent insurer covered
- by this chapter shall permit access by the board or its authorized representative to any of the
- insolvent insurer's records that are necessary for the board in carrying out its functions under this
- Act with regard to covered claims. In addition, the liquidator, receiver, or statutory successor
- shall provide the board or its representative with copies of such records upon request by the
- 20 board and at the expense of the board.
- 21 Section 55. Except for actions by member insurers aggrieved by final actions or decisions of
- 22 the association pursuant to subdivision (7) of section 31 of this Act, any action relating to or
- 23 arising out of this Act against the association shall be brought in a court in this state. The courts
- in this state have exclusive jurisdiction over all actions relating to or arising out of this Act
- against the association.

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- 1 Section 56. This Act shall be known as the South Dakota Insurance Guaranty Association
- 2 Act.
- 3 Section 57. That §§ 58-29A-1 to 58-29A-53, inclusive, be repealed.

- 19 - SB 75

- 2 1/15/00 First read in Senate and referred to State Affairs. S.J. 60
- 3 1/21/00 Scheduled for Committee hearing on this date.
- 4 1/24/00 Scheduled for Committee hearing on this date.
- 5 1/24/00 State Affairs Do Pass Amended, Passed, AYES 8, NAYS 0. S.J. 150

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

391D0180

SENATE ENGROSSED NO. SB83 - 2/3/00

Introduced by: Senators Hainje, Albers, Brown (Arnold), Daugaard, Dennert, Drake, Dunn (Rebecca), Duxbury, Everist, Frederick, Kleven, and Symens and Representatives Fiegen, Cutler, Davis, Duniphan, Fischer-Clemens, Hennies, Koetzle, Lintz, Michels, Patterson, Roe, Waltman, and Young

- 1 FOR AN ACT ENTITLED, An Act to provide immunity from civil liability for the placement
- 2 and use of automated external defibrillators.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. Terms used in this Act mean:
- 5 (1) "AED," an automated external defibrillator;
- 6 (2) "Person," a natural person, organization, corporation, partnership, limited partnership,
- 7 joint venture, association, or any other legal or commercial entity;
- 8 (3) "Physician," a physician licensed pursuant to chapter 36-4.
- 9 Section 2. Any person, who in good faith obtains an AED for use in providing emergency
- 10 care or treatment, is immune from civil liability for any injury as a result of such emergency care
- or treatment or as a result of an act or failure to act in providing or arranging such medical
- treatment. This immunity applies only if the following requirements are fulfilled:
- 13 (1) The person tests and maintains the AED, or arranges to have such testing and
- maintenance performed on the AED pursuant to the AED manufacturer's
- specifications;

1 (2) The person involves a physician to authorize in writing AED placement and compliance with the requirements for AED training, notification of placement and use, and maintenance;

- (3) An emergency medical services system is activated when an AED has been used to render emergency care or treatment; and
- 6 (4) The person has reported any emergency use of the AED to the physician.

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- Section 3. Any physician who provides those services stated in subdivision (2) of section 2

 of this Act is immune from civil liability for any personal injury that occurs as a result of

 emergency care or treatment rendered using the AED or as a result of an act or failure to act in

 providing or arranging such medical treatment.
 - Section 4. Any person who provides AED training is immune from civil liability for any personal injury that occurs as a result of emergency care or treatment rendered using the AED or as a result of an act or failure to act in providing or arranging such medical treatment.
- Section 5. Any person who acquires an AED shall notify an agent of the emergency communications or vehicle dispatch center of the existence, location, and type of AED.
 - Section 6. The immunity from civil liability under this Act does not apply if the personal injury results from the gross negligence or willful or wanton misconduct of the person rendering such emergency care.

- 3 - SB 83

- 2 1/18/00 First read in Senate and referred to Judiciary. S.J. 71
- 3 1/28/00 Scheduled for Committee hearing on this date.
- 4 1/28/00 Judiciary Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 253
- 5 2/2/00 Senate Do Pass Amended, Passed, AYES 34, NAYS 0. S.J. 295
- 6 2/2/00 Senate Title Amended Passed. S.J. 295

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

239D0472

SENATE COMMERCE COMMITTEE ENGROSSED NO. **SB84** - 1/28/00

Introduced by: Senators Rounds, Kloucek, and Symens and Representatives Jaspers and Wilson

1 FOR AN ACT ENTITLED, An Act to regulate the ownership of motor vehicle dealerships. 2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA: 3 Section 1. That chapter 32-6B be amended by adding thereto a NEW SECTION to read as 4 follows: 5 In this Act, the term, manufacturer, includes a representative or a person or entity who is 6 affiliated with a manufacturer or representative, or who, directly or indirectly through an 7 intermediary, is controlled by, or is under common control with, the manufacturer. For purposes 8 of this section, a person or entity is controlled by a manufacturer if the manufacturer has the 9 authority directly or indirectly, by law or by agreement of the parties, to direct or influence the 10 management and policies of the person or entity. 11 Section 2. That chapter 32-6B be amended by adding thereto a NEW SECTION to read as 12 follows: 13 Except as otherwise provided by this Act, no manufacturer or franchisor may directly or 14 indirectly: 15

Own an interest in a vehicle dealer or dealership;

Operate or control a vehicle dealer or dealership; or

(1)

(2)

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- 1 (3) Act in the capacity of a vehicle dealer.
- 2 Section 3. A manufacturer or franchisor may own an interest in a franchised vehicle dealer,
- 3 or otherwise control a dealership, for a period not to exceed twelve months from the date the
- 4 manufacturer or franchisor acquires the dealership if:
- 5 (1) The person from whom the manufacturer or franchisor acquired the dealership was a franchised dealer; and
- 7 (2) The dealership is for sale by the manufacturer or franchisor at a reasonable price and on reasonable terms and conditions.
- 9 Section 4. That chapter 32-6B be amended by adding thereto a NEW SECTION to read as 10 follows:
- For the purpose of broadening the diversity of its dealer body and enhancing opportunities for qualified persons who are part of a group who have historically been underrepresented in its dealer body, or other qualified persons who lack the resources to purchase a dealership outright, but for no other purpose, a manufacturer or franchisor may temporarily own an interest in a dealership if the manufacturer's or franchisor's participation in the dealership is in a bona fide relationship with a franchised vehicle dealer who:
 - (1) Has made a significant investment in the dealership, subject to loss;
- 18 (2) Has an ownership interest in the dealership; and

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- Operates the dealership under a plan to acquire full ownership of the dealership within a reasonable time and under reasonable terms and conditions.
- Section 5. That chapter 32-6B be amended by adding thereto a NEW SECTION to read as follows:
- On a showing by a manufacturer or franchisor of good cause, the department may extend the time limit set forth in section 3 of this Act. No extension under this section may exceed twelve months. An application for an extension after the first extension is granted is subject to protest

- 3 - SB 84

- by a vehicle dealer of the same line-make whose dealership is located in the same county as, or
- within fifteen miles of, the dealership owned or controlled by the manufacturer or franchisor. The
- 3 department may not grant more than two extensions.

- 4 - SB 84

- 2 1/18/00 First read in Senate and referred to Commerce. S.J. 71
- 3 1/27/00 Scheduled for Committee hearing on this date.
- 4 1/27/00 Commerce Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 217

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

545D0525

Senate engrossed no. SB92 - 1/26/00

Introduced by: Senators Everist, Bogue, Brosz, Dunn (Jim), Halverson, Olson, Rounds, and Shoener and Representatives Hunt, Brooks, Davis, Fiegen, Konold, and Peterson

- 1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the time period to
- 2 collect signatures for initiative petitions and initiated constitutional amendment petitions.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 2-1-6.2 be amended to read as follows:
- 5 2-1-6.2. The full text of any initiative petition, referred law petition, or initiated constitutional
- 6 amendment petition complete with, the date of the general election at which the initiated law or
- 7 initiated constitutional amendment is to be submitted, and the names and addresses of the
- 8 petition sponsors shall be filed with the secretary of state prior to circulation for signatures. The
- 9 signer's post office box number may be given in lieu of a street address if the signer lives within
- a municipality of the second or third class. The form of the petitions shall be prescribed by the
- 11 State Board of Elections. Signatures may be collected on initiative petitions for one year
- 12 following the filing of the full text. The petition signatures shall be filed no later than one year
- after filing the full text with the appropriate filing officer. For any initiated constitutional
- 14 amendment petition, no signatures may be obtained more than twenty-four months preceding the
- 15 general election that was designated at the time of filing of the full text. For any initiative
- petition, no signatures may be obtained more than eighteen months preceding the general

election that was designated at the time of filing of the full text. An initiative petition and an initiated constitutional amendment petition shall be filed with the secretary of state by the date set forth in § 2-1-2 or 2-1-2.1, as applicable. All sections of any petition filed under this chapter shall be filed with the secretary of state simultaneously together with a sworn affidavit on forms promulgated by the State Board of Elections, signed by two-thirds of the sponsors stating that the documents filed constitute the entire petition and to the best of their knowledge contain a sufficient number of signatures.

Section 2. The provisions of this Act do not apply to any initiative petition or initiated constitutional amendment petition filed with the secretary of state, prior to circulation for signatures, before the effective date of this Act.

- 3 - SB 92

- 2 1/18/00 First read in Senate and referred to State Affairs. S.J. 73
- 3 1/24/00 Scheduled for Committee hearing on this date.
- 4 1/24/00 State Affairs Do Pass, Passed, AYES 8, NAYS 0. S.J. 150
- 5 1/25/00 Motion to Amend, Passed. S.J. 193
- 6 1/25/00 Senate Do Pass Amended, Passed, AYES 31, NAYS 3. S.J. 193

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

256D0148

HOUSE COMMERCE COMMITTEE ENGROSSED NO. SB97 - 2/11/00

Introduced by: Senators Halverson, Brown (Arnold), Dennert, Lange, Lawler, Madden, Reedy, Rounds, and Symens and Representatives Diedrich (Larry), Apa, Clark, Engbrecht, Hennies, Slaughter, Sutton (Daniel), and Volesky

- FOR AN ACT ENTITLED, An Act to revise the definition of indigent by design for purposes of county poor relief.

 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 28-13-27 be amended to read as follows:
- 5 28-13-27. Terms used in this chapter mean:
- "Actual cost of hospitalization," the actual cost to a hospital of providing hospital services to a medically indigent person, determined by applying the ratios of costs to charges appearing on the statement of costs required in § 28-13-28 to charges at the hospital in effect at the time the hospital services are provided;
- 10 (2) "Emergency hospital services," treatment in the most appropriate hospital available
 11 to meet the emergency need. The physician, physician assistant, or nurse practitioner
 12 on duty or on call at the hospital must determine whether the individual requires
 13 emergency hospital care. The need for emergency hospital care is established if the
 14 absence of emergency care is expected to result in death, additional serious jeopardy
 15 to the individual's health, serious impairment to the individual's bodily functions, or

1		seriou	as dysfunction of any bodily organ or part. The term does not include care for
2		which	n treatment is available and routinely provided in a clinic or physician's office;
3	(3)	"Hos	pital," any hospital licensed as such by the state in which it is located;
4	(4)	"Hou	sehold," the patient, minor children of the patient living with the patient, and
5		anyon	ne else living with the patient to whom the patient has the legal right to look for
6		suppo	ort;
7	(5)	"Non	emergency care," hospitalization which is medically necessary and recommended
8		by a j	physician licensed under chapter 36-4 but does not require immediate care or
9		attent	ion;
10	(6)	"Indig	gent by design," an individual who meets any one of the following criteria:
11		(a)	Is able to work but has chosen not to work;
12		(b)	Is a student at a postsecondary institution who has chosen not to purchase
13			health insurance;
14		(c)	Has failed to purchase <u>or elect major medical</u> health insurance which was <u>or</u>
15			health benefits made available through the individual's employer an employer-
16			based health benefit plan although the person was financially able, pursuant to
17			section 2 of this Act, to purchase or elect the insurance or health benefits:
18		<u>(d)</u>	Has failed to purchase available major medical health insurance although the
19			individual was insurable and was financially able, pursuant to section 2 of this
20			Act, to purchase the insurance. For purposes of this subdivision, an individual
21			is presumed insurable unless the individual can produce sufficient evidence to
22			show that the individual was declined major medical insurance by an insurance
23			company and the individual did not qualify for any guarantees of major medical
24			insurance available through any legal or contractual right that was not
25			exercised; or

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1		(d)(e) Has transferred resources for purposes of establishing eligibility for medical	
2		assistance available under the provisions of this chapter. The lookback period	
3		for making this determination includes the thirty-six month period immediately	
4		prior to the onset of the individual's illness and continues through the period	
5		of time for which the individual is requesting services.	
6	Section 2. That chapter 28-13 be amended by adding thereto a NEW SECTION to read a		
7	follows:		
8	For 1	purposes of subsections 28-13-27(6)(c) and (d), when determining whether the	
9	househol	d was financially able to purchase health insurance which would have covered the	
10	medical	costs the county is being requested to pay, the county shall use the following	
11	methodo	logy:	
12	(1)	Determine the household's income and resources according to §§ 28-13-32.7 and	
13		28-13-32.8;	
14	(2)	Determine the household's contributions for taxes, social security, medicare, and	
15		payments to other standard retirement programs according to subdivision	
16		28-13-32.9(1);	
17	(3)	Except for the medical expenses for which the household is requesting assistance,	
18		determine the household's expenses according to subdivision 28-13-32.9(2);	
19	(4)	Determine the amount of the household's discretionary income by subtracting the sum	
20		of the household's contributions and expenses from the household's income. Divide	
21		the amount of the household's discretionary income in half. The result added to the	
22		household's adjusted resources determined according to § 28-13-32.8 equals the	
23		household's discretionary income that was available to purchase health insurance;	
24	(5)	Subtract the amount of the monthly health insurance premium that was available to	
25		the household if known or, if unknown, an estimate of the premium the household	

could be expected to incur. For purposes of this subdivision, the county shall establish such estimate either by obtaining premium estimates from two major medical insurance carriers doing business in the state or by using an estimate based on the rate data provided to the county by the Division of Insurance of the Department of Commerce and Regulation. The policy used shall have a benefit design that equals or exceeds the benefit design of the basic benefit plan as developed by the Health Benefit Plan Committee pursuant to § 58-18B-32. If the result is a negative number, the health insurance was not affordable. If the result is a positive number, health insurance was affordable and the individual is considered to be indigent by design.

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- 2 1/18/00 First read in Senate and referred to State Affairs. S.J. 74
- 3 1/24/00 Scheduled for Committee hearing on this date.
- 4 1/24/00 State Affairs Do Pass Amended, Passed, AYES 8, NAYS 0. S.J. 162
- 5 1/26/00 Senate Do Pass Amended, Passed, AYES 34, NAYS 0. S.J. 206
- 6 1/27/00 First read in House and referred to Commerce. H.J. 277
- 7 2/10/00 Scheduled for Committee hearing on this date.
- 8 2/10/00 Commerce Do Pass Amended, Passed, AYES 11, NAYS 0. H.J. 556

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

555D0494

SENATE LOCAL GOVERNMENT COMMITTEE ENGROSSED NO. SB103 - 1/24/00

Introduced by: Senators Bogue and Dunn (Rebecca) and Representatives Heineman and Chicoine

1 FOR AN ACT ENTITLED, An Act to revise the process and requirements for changing the 2 form of municipal government. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA: 4 Section 1. That § 9-2-3 be amended to read as follows: 5 9-2-3. Third class municipalities Each municipality shall be governed by a board of trustees. 6 First and second class municipalities shall be governed either by, a mayor and common 7 council, or by a board of commissioners, in each case with or without a. A city manager may 8 serve with any of the forms of government. 9 Section 2. That § 9-11-1 be repealed. 10 9-11-1. When by reason of an increase of population a third class municipality shall pass to 11 a municipality of the second class, at the next annual municipal election it shall elect a mayor and 12 common council, and continue under that form of government until it is changed as provided by 13 this title. 14 Section 3. That § 9-11-5 be amended to read as follows: 15 9-11-5. The voters of any first or second class municipality may change its form of

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government from the aldermanic to the commission or from the commission to the aldermanic,

manager plan to the aldermanic or commission plan, or from any form of the aldermanic or aldermanic-manager plan to any form of the commission or commission-manager plan and vice versa or change the number of its commissioners, wards, or trustees by a majority vote of all electors voting at an election called and held as hereinafter provided. Municipalities Any municipality under special charter may in like manner adopt any of the forms form of government as hereinabove provided in this title.

Section 4. That § 9-11-6 be amended to read as follows:

- 9-11-6. If a petition signed by fifteen percent of the registered voters of any first or second class municipality, as determined by the total number of registered voters at the last preceding general election, is presented to the governing body requesting that an election be called for the purpose of voting upon a question of change of form of government or upon a question of the number of wards, commissioners or trustees, the governing body shall call an election to be held within fifty days from the date of the filing of the petition with the auditor municipal finance officer. At that election the question of the change of form of government or the number of wards, commissioners or trustees, or both, shall be submitted to the voters thereof. No signature on the petition is valid if signed more than six months prior to the filing of the petitions. If the petition is filed on or after January first prior to the annual municipal election and within sufficient time to comply with the provisions of § 9-13-14, the question shall may be submitted at that annual municipal election.
- The election shall be held upon the same notice and conducted in the same manner as other city elections.
- 23 Section 5. That § 9-11-9 be amended to read as follows:
- 9-11-9. If at such an election a change of changes the form of government or number of commissioners, wards, or trustees is decided upon approved, at the next annual municipal

- 3 - SB 103

election or at a special election called by the governing board and held pursuant to § 9-13-14,

- 2 officers shall be chosen under the changed form of government.
- 3 Section 6. That § 9-11-10 be amended to read as follows:
- 4 9-11-10. Any ordinance, resolution, contract, obligation, right, or liability of the first or
- 5 second class municipality shall continue in force and effect the same as though no change of
- 6 government had has occurred.
- 7 Section 7. That § 9-11-2 be repealed.
- 8 9-11-2. Whenever the population of a municipality of the second class shall fall below five
- 9 hundred inhabitants, as shown by the last preceding federal census, such municipality may be
- 10 classed as a municipality of the third class and denominated a town.
- 11 Section 8. That § 9-11-3 be repealed.
- 12 9-11-3. In order so to change its status such first or second class municipality as described
- in § 9-11-2 may through its governing body apply to the circuit court having jurisdiction, for a
- 14 judgment authorizing such change. Upon the presentation of such application the court shall by
- order fix a time and place for hearing such application. Notice thereof shall be given by
- 16 publishing such order once a week for two successive weeks, the last publication to be not less
- 17 than ten days prior to the day fixed for hearing and by posting a copy of the order in three public
- 18 places in such municipality not less than ten days prior to the hearing.
- 19 Section 9. That chapter 9-11 be amended by adding thereto a NEW SECTION to read as
- 20 follows:
- If the population of a municipality, as shown by the last preceding federal census, increases
- or decreases causing the municipality to pass into a different class of municipality pursuant to
- § 9-2-1, the municipality may, through its governing body, apply to the circuit court having
- 24 jurisdiction for a judgment authorizing the classification change. Upon the presentation of the
- 25 application, the court shall establish a time and place for hearing the application. Notice of the

- 4 - SB 103

- 1 hearing shall be given by publishing the order once a week for two successive weeks, the last
- 2 publication to be not less than ten days prior to the day of the hearing, Not less than ten days
- 3 prior to the date of the hearing, the notice of hearing shall also be posted in three public places
- 4 in the municipality.
- 5 Section 10. That § 9-11-4 be amended to read as follows:
- 6 9-11-4. Upon such hearing, if the facts warrant the granting of the application, the court shall
- 7 make and enter its judgment changing the status of such first or second class the municipality to
- 8 that of a municipality of the third appropriate class, pursuant to § 9-2-1. The court shall establish
- 9 fixing the time when such the change shall be effective and determining determine the manner
- in which the change shall be made.
- A certified copy of such the judgment shall be filed in the office of the register of deeds of
- the county wherein such municipality is situated, and also in the Office of the Secretary of State.

- 5 - SB 103

- 2 1/19/00 First read in Senate and referred to Local Government. S.J. 111
- 3 1/24/00 Scheduled for Committee hearing on this date.
- 4 1/24/00 Local Government Do Pass Amended, Passed, AYES 6, NAYS 1. S.J. 163

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

670D0431

SENATE JUDICIARY COMMITTEE ENGROSSED NO. SB117 - 2/1/00

Introduced by: Senators Staggers, Dennert, Flowers, Lange, Moore, Olson, and Symens and Representatives Monroe, Diedtrich (Elmer), Fischer-Clemens, Garnos, Klaudt, Slaughter, and Sutton (Duane)

- 1 FOR AN ACT ENTITLED, An Act to prohibit strip-searches for violations of curfew.
- 2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 3 Section 1. No person under the age of eighteen detained solely for a curfew violation may
- 4 be strip-searched.

- 2 1/19/00 First read in Senate and referred to Judiciary. S.J. 114
- 3 1/21/00 Scheduled for Committee hearing on this date.
- 4 1/21/00 Judiciary Deferred to another day.
- 5 1/28/00 Scheduled for Committee hearing on this date.
- 6 1/31/00 Scheduled for Committee hearing on this date.
- 7 1/31/00 Judiciary Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 262

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

583D0281

SENATE JUDICIARY COMMITTEE ENGROSSED NO. SB153 - 1/24/00

Introduced by: Senators Moore, Flowers, Hutmacher, Olson, and Staggers and Representatives Napoli, Haley, Koehn, and Koetzle

- 1 FOR AN ACT ENTITLED, An Act to restrict the effect of certain provisions relating to the
- 2 illegal sale of alcoholic beverages to underage persons.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. No person may be convicted of illegally selling any alcoholic beverage to any
- 5 underage person pursuant to § 35-9-1 or 35-9-1.1, if the underage person was in possession of,
- 6 and the seller relied upon, any false age-bearing identification document that was furnished to
- 7 the underage person by any state or local law enforcement agency or any agent, employee,
- 8 contractor, or associate of any state or local law enforcement agency for the purpose of
- 9 attempting to illegally purchase any alcoholic beverage.

- 2 1/20/00 First read in Senate and referred to Judiciary. S.J. 128
- 3 1/24/00 Scheduled for Committee hearing on this date.
- 4 1/24/00 Judiciary Do Pass Amended, Passed, AYES 6, NAYS 1. S.J. 175

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

358D0600

SENATE ENGROSSED NO. SB154 - 1/27/00

Introduced by: Senators Madden, Daugaard, and Moore and Representatives Hunt and Wilson

1	FOR AN	ACT ENTITLED, An Act to revise certain provisions pertaining to notice to parties		
2	in est	in estate litigation.		
3	BE IT E	NACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:		
4	Section 1. That § 29A-1-401 be amended to read as follows:			
5	29A-1	1-401. (a) If notice of a hearing on any petition is required and except for specific notice		
6	requirements as otherwise provided, the petitioner shall cause notice of the time and place of			
7	hearing o	f any petition, together with a copy of the petition, to be given to any interested person		
8	or the person's attorney if the person has appeared by attorney or requested that notice be sent			
9	to an attorney. Notice shall be given:			
10	(1)	By mailing a copy of the notice of hearing and of the petition at least fourteen days		
11		before the time set for the hearing by certified, registered, or ordinary first class mail		
12		addressed to the person being notified at the post office address given in the person's		
13		demand for notice, if any, or at the person's place of residence, if known;		
14	(2)	By delivering a copy of the notice of hearing and of the petition to the person being		
15		notified personally at least fourteen days before the time set for the hearing; or		
16	(3)	If the address or identity of any person is not known and cannot be ascertained with		
17		reasonable diligence, by publishing at least once a week for three consecutive weeks,		

1		a copy of the notice of hearing in a legal newspaper in the county where the hearing	
2		is to be held, the last publication of which is to be at least fourteen days before the	
3		time set for the hearing; or	
4	<u>(4)</u>	If any person entitled to notice is a resident of a foreign country and does not have a	
5		place of residence in any state, and if the address of the person is not known and	
6		cannot be ascertained with reasonable diligence, by mailing a copy of the notice of	
7		hearing and a copy of the petition to the legation of the foreign country at	
8		Washington, D.C. at least fourteen days prior to the date fixed for hearing.	
9	(b) T	he court for good cause shown may provide for a different method or time of giving	
10	notice for any hearing.		
11	(c) P	roof of the giving of notice shall be made on or before the hearing and filed in the	
12	proceedii	ng.	

- 3 - SB 154

- 2 1/20/00 First read in Senate and referred to Judiciary. S.J. 128
- 3 1/24/00 Scheduled for Committee hearing on this date.
- 4 1/24/00 Judiciary Do Pass, Passed, AYES 6, NAYS 1. S.J. 174
- 5 1/25/00 Senate Deferred to another day. S.J. 196
- 6 1/26/00 Motion to Amend, Passed. S.J. 209
- 7 1/26/00 Senate Do Pass Amended, Passed, AYES 33, NAYS 0. S.J. 209

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

400D0664

SENATE COMMERCE COMMITTEE ENGROSSED NO. SB157 - 2/2/00

Introduced by: Senators Daugaard and Brosz and Representatives Koskan and Broderick

- 1 FOR AN ACT ENTITLED, An Act to clarify the reporting and collection of the
- 2 telecommunications access fee for the deaf, hearing impaired, and speech impaired.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. That § 10-59-1 be amended to read as follows:
- 5 10-59-1. The provisions of this chapter apply to any taxes or fees or persons subject to taxes
- 6 or fees imposed by chapters 10-39, 10-39A, 10-39B, 10-43, 10-45, 10-46, 10-46A, 10-46B,
- 7 10-47B, 10-52, 10-60, 32-3, 32-5, 32-5B, 32-6B, 32-9, 32-10, and 34A-13 and §§ 22-25-48,
- 8 <u>49-31-51</u>, 50-4-13 to 50-4-17, inclusive, and the provisions of chapter 10-45B.
- 9 Section 2. That chapter 49-31 be amended by adding thereto a NEW SECTION to read as
- 10 follows:
- The secretary of revenue may promulgate rules, pursuant to chapter 1-26, to administer the
- fee imposed pursuant to § 49-39-51. The rules may include:
- 13 (1) The filing of returns and payment of the fee;
- 14 (2) Determining the application of the fee;
- 15 (3) Record-keeping requirements; and
- 16 (4) Determining auditing methods.

- 2 1/21/00 First read in Senate and referred to Commerce. S.J. 138
- 3 2/1/00 Scheduled for Committee hearing on this date.
- 4 2/1/00 Commerce Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 268
- 5 2/1/00 Commerce Place on Consent Calendar.

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

357D0632

SENATE TAXATION COMMITTEE ENGROSSED NO. SB167 - 2/3/00

Introduced by: Senators Benson and Bogue and Representatives Juhnke and Koskan

1 FOR AN ACT ENTITLED, An Act to clarify who is responsible to file the return and remit the 2 sales tax due from auctions. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA: 4 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as 5 follows: 6 All auctions sales and consignment sales of tangible personal property and services are sales 7 at retail. The auction clerk shall file the return and remit the tax imposed by this chapter on the 8 gross receipts from each auction after applying the deductions provided by § 10-45-92. 9 However, the auctioneer is responsible for the payment of the tax imposed by this chapter if the 10 auction clerk is an employee of the auctioneer or if the auction clerk does not have a permit as 11 required by this chapter. In addition to any other information required to be kept by this chapter, 12 each auction clerk shall keep records that identify the owner of the property sold at auction and 13 the auctioneer who conducts the sale of such property. 14 Section 2. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as 15 follows:

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All auctions sales and consignment sales of tangible personal property and services are sales

- 1 at retail. The auction clerk shall file the return and remit the tax imposed by this chapter on the
- 2 gross receipts from each auction after applying the deductions provided by § 10-45-92.
- 3 However, the auctioneer is responsible for the payment of the tax imposed by this chapter if the
- 4 auction clerk is an employee of the auctioneer or if the auction clerk does not have a permit as
- 5 required by this chapter. In addition to any other information required to be kept by this chapter,
- 6 each auction clerk shall keep records that identify the owner of the property sold at auction and
- 7 the auctioneer who conducts the sale of such property.

- 3 - SB 167

1 **BILL HISTORY**

- 2 1/21/00 First read in Senate and referred to Taxation. S.J. 140
- 3 2/2/00 Scheduled for Committee hearing on this date.
- 4 2/2/00 Taxation Do Pass Amended, Passed, AYES 8, NAYS 0. S.J. 284

State of South Dakota

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

552D0714

SENATE ENGROSSED NO. SB178 - 2/4/00

Introduced by: Senators Hainje, Frederick, Paisley, and Vitter and Representatives Brown (Richard), Munson (Donald), Peterson, and Richter

- 1 FOR AN ACT ENTITLED, An Act to revise the school term.
- 2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 3 Section 1. That § 13-26-1 be amended to read as follows:
- 4 13-26-1. The school fiscal year shall begin July first and end June thirtieth. A school day shall
- 5 be at least five and one-half hours, exclusive of intermissions, and at least two and three-fourths
- 6 hours shall count as a half day. The time specified as a "school day" shall not apply below grade
- 7 four. Each local school board shall set the number of days in a school term, the length of a school
- 8 day, and the number of school days in a school week. The local school board or governing body
- 9 shall establish the number of hours in the school term for kindergarten programs. The Board of
- 10 Education shall promulgate rules pursuant to chapter 1-26 setting the minimum number of hours
- in the school term for grades one through three. The number of hours in the school term for
- 12 grades four through twelve may not be less than nine hundred sixty-two and one-half hours,
- exclusive of intermissions. An "intermission" is the time when pupils are at recess or lunch.
- 14 Section 2. That § 13-26-2 be amended to read as follows:
- 15 13-26-2. The school board or governing body shall operate grades one through twelve in its
- schools for at least a nine-month regular term in any one school year. The regular school term

may be conducted on a year-round basis, but for grades one through twelve shall consist of school actually in session for at least one hundred seventy-five days and shall begin on a date established by the school board. The State Board of Education shall promulgate rules pursuant to chapter 1-26 governing the operation and scheduling of year-round schools. The rules may allow deviations from the one hundred seventy-five day requirement in this section and from the five and one-half hour per day requirement in § 13-26-1 if the total school term hours requirement in § 13-26-2.1 is met. The local school board or governing body may establish the school term for kindergarten programs. Any school board or governing body may release graduating high school seniors from school before the end of the regular term if the release is for no more than three school days. Make up days time for school closing because of weather, disease, or emergency need not exceed ten school days. Graduating seniors are excused from make up days time if the make up days occur time occurs after the students have graduated or after graduation exercises have been held. If classes have been convened and then are dismissed because of inclement weather, that day constitutes a <u>school</u> day in session <u>equal to the number</u> of hours planned for that day as established in the local school district calendar for the year. School boards are encouraged to provide days time within the regular school term for curriculum and staff development which shall be in addition to the one hundred seventy-five days time required in this section. Each school board shall determine the appropriate number amount of days time for this activity and how best to use the time based on local needs for program development, increased parent participation, student contact, teachers' preparation, or other needs of the schools in the district. School shall be in session only when classes are held and as provided in §§ 13-26-4 and 13-26-4.1. A school board may operate a special term during the summer months.

Section 3. That § 13-26-2.1 be repealed.

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25 <u>13-26-2.1. Notwithstanding § § 13-26-1 and 13-26-2, each local school board may establish</u>

- 3 - SB 178

- 1 the length of a school day and the number of school days in a school week, provided the number
- 2 of school hours in a school term for grades four through twelve may not be less than nine
- 3 hundred sixty-two and one-half hours, exclusive of intermission. A plan to establish a school
- 4 term pursuant to this section must first be approved by the South Dakota Board of Education.
- 5 The state board may adopt rules, pursuant to chapter 1-26, regulating the approval of local
- 6 district plans.

- 4 - SB 178

1 **BILL HISTORY**

- 2 1/24/00 First read in Senate and referred to Education. S.J. 166
- 3 1/27/00 Scheduled for Committee hearing on this date.
- 4 1/27/00 Education Deferred to another day.
- 5 2/1/00 Education Do Pass Amended, Passed, AYES 7, NAYS 0. S.J. 266
- 6 2/3/00 Motion to Amend, Passed. S.J. 308
- 7 2/3/00 Senate Do Pass Amended, Passed, AYES 31, NAYS 1. S.J. 308

State of South Dakota

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

400D0748

SENATE STATE AFFAIRS COMMITTEE ENGROSSED NO. SB187 - 2/1/00

Introduced by: Senator Albers

- 1 FOR AN ACT ENTITLED, An Act to provide for the revocation or refusal of a gaming or
- 2 racing license.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
- 4 Section 1. Notwithstanding §§ 23A-27-14 and 23A-27-17, a person who has received an
- 5 order pursuant to § 23A-27-13 for a felony offense, who is licensed or seeks to be licensed by
- 6 the South Dakota Commission on Gaming pursuant to § 42-7B-22 or subdivision 42-7-56(12),
- 7 shall have an application refused or a license revoked after a hearing as provided pursuant to
- 8 chapter 1-26 unless the person has successfully completed the probationary period imposed by
- 9 the court.

- 2 - SB 187

1 **BILL HISTORY**

- 2 1/24/00 First read in Senate and referred to State Affairs. S.J. 167
- 3 1/28/00 Scheduled for Committee hearing on this date.
- 4 1/28/00 State Affairs Deferred to another day.
- 5 1/31/00 State Affairs Do Pass Amended, Passed, AYES 8, NAYS 1. S.J. 251

State of South Dakota

SEVENTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2000

347D0743

SENATE STATE AFFAIRS COMMITTEE ENGROSSED NO. SB193 - 2/3/00

Introduced by: Senators Everist and Olson and Representatives Duenwald, Michels, and Wilson

1	FOR AN ACT ENTITLED, An Act to establish certain requirements and procedures regarding	
2	electro	onic transactions.
3	BE IT EN	NACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:
4	Section 1. Terms used in this Act mean:	
5	(1)	"Agreement," the bargain of the parties in fact, as found in their language or inferred
6		from other circumstances and from rules and procedures given the effect of
7		agreements under laws otherwise applicable to a particular transaction;
8	(2)	"Automated transaction," a transaction conducted or performed, in whole or in part,
9		by electronic means or electronic records, in which the acts or records of one or both
10		parties are not reviewed by an individual in the ordinary course in forming a contract,
11		performing under an existing contract, or fulfilling an obligation required by the
12		transaction;
13	(3)	"Computer program," a set of statements or instructions to be used directly or
14		indirectly in an information processing system in order to bring about a certain result;
15	(4)	"Contract," the total legal obligation resulting from the parties' agreement as affected
16		by this Act and other applicable law;

- 2 - SB 193

1	(5)	"Electronic," any technology using electrical, digital, magnetic, wireless, optical,
2		electromagnetic, or similar capabilities;
3	(6)	"Electronic agent," a computer program or an electronic or other automated means
4		used independently to initiate an action or respond to electronic records or
5		performances in whole or in part, without review or action by an individual;
6	(7)	"Electronic record," a record created, generated, sent, communicated, received, or
7		stored by electronic means;
8	(8)	"Electronic signature," an electronic sound, symbol, or process attached to or
9		logically associated with a record and executed or adopted by a person with the intent
10		to sign the record;
11	(9)	"Governmental agency," an executive, legislative, or judicial agency, department,
12		board, commission, authority, institution, or instrumentality of the federal government
13		or of a state or of a county, municipality, or other political subdivision of a state;
14	(10)	"Information," data, text, images, sounds, codes, computer programs, software,
15		databases, or the like;
16	(11)	"Information processing system," an electronic system for creating, generating,
17		sending, receiving, storing, displaying, or processing information;
18	(12)	"Person," an individual, corporation, business trust, estate, trust, partnership, limited
19		liability company, association, joint venture, governmental agency, public corporation,
20		or any other legal or commercial entity;
21	(13)	"Record," information that is inscribed on a tangible medium or that is stored in an
22		electronic or other medium and is retrievable in perceivable form;
23	(14)	"Security procedure," a procedure employed for the purpose of verifying that an
24		electronic signature, record, or performance is that of a specific person or for
25		detecting changes or errors in the information in an electronic record. The term

- 3 - SB 193

1		includes a procedure that requires the use of algorithms or other codes, identifying
2		words or numbers, encryption, or callback or other acknowledgment procedures;
3	(15)	"State," a state of the United States, the District of Columbia, Puerto Rico, the United
4		States Virgin Islands, or any territory or insular possession subject to the jurisdiction
5		of the United States. The term includes an Indian tribe or band, or Alaskan native
6		village, which is recognized by federal law or formally acknowledged by a state;
7	(16)	"Transaction," an action or set of actions occurring between two or more persons
8		relating to the conduct of business, commercial, or governmental affairs.
9	Section	on 2. Except as otherwise provided in section 3 of this Act, this Act applies to electronic
10	records a	nd electronic signatures relating to a transaction.
11	Section	on 3. This Act does not apply to a transaction to the extent it is governed by:
12	(1)	The Uniform Probate Code or other law governing the creation and execution of
13		wills, codicils, or testamentary trusts;
14	(2)	The Uniform Commercial Code other than Sections 1-107 and 1-206, Article 2,
15		Article 2A, and Article 9; and
16	(3)	Transactions under chapter 15-6 or other transactions involving the Unified Judicial
17		System.
18	Section	on 4. This Act applies to an electronic record or electronic signature otherwise excluded
19	from the a	application of this Act under section 3 of this Act to the extent it is governed by a law
20	other than	n those specified in section 3 of this Act.
21	Section	on 5. A transaction subject to this Act is also subject to other applicable substantive law.
22	Section	on 6. This Act applies to any electronic record or electronic signature created,
23	generated	l, sent, communicated, received, or stored on or after the effective date of this Act.
24	Section	on 7. This Act does not require a record or signature to be created, generated, sent,

communicated, received, stored, or otherwise processed or used by electronic means or in

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- 1 electronic form.
- 2 Section 8. This Act applies only to transactions between parties each of which has agreed to
- 3 conduct transactions by electronic means. Whether the parties agree to conduct a transaction by
- 4 electronic means is determined from the context and surrounding circumstances, including the
- 5 parties' conduct.
- 6 Section 9. A party that agrees to conduct a transaction by electronic means may refuse to
- 7 conduct other transactions by electronic means. The right granted by this section may not be
- 8 waived by agreement.
- 9 Section 10. Except as otherwise provided in this Act, the effect of any of its provisions may
- be varied by agreement. The presence in certain provisions of this Act of the words "unless
- otherwise agreed," or words of similar import, does not imply that the effect of other provisions
- may not be varied by agreement.
- Section 11. Whether an electronic record or electronic signature has legal consequences is
- determined by this Act and other applicable law.
- 15 Section 12. This Act shall be construed and applied:
- 16 (1) To facilitate electronic transactions consistent with other applicable law;
- 17 (2) To be consistent with reasonable practices concerning electronic transactions and with
- the continued expansion of those practices; and
- 19 (3) To effectuate its general purpose to make uniform the law with respect to the subject
- of this Act among states enacting it.
- 21 Section 13. No record or signature may be denied legal effect or enforceability solely because
- 22 it is in electronic form.
- Section 14. No contract may be denied legal effect or enforceability solely because an
- 24 electronic record was used in its formation.
- Section 15. If a law requires a record to be in writing, an electronic record satisfies the law.

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- Section 16. If a law requires a signature, an electronic signature satisfies the law.
- 2 Section 17. If parties have agreed to conduct a transaction by electronic means and a law
- 3 requires a person to provide, send, or deliver information in writing to another person, the
- 4 requirement is satisfied if the information is provided, sent, or delivered, as the case may be, in
- 5 an electronic record capable of retention by the recipient at the time of receipt. An electronic
- 6 record is not capable of retention by the recipient if the sender or its information processing
- 7 system inhibits the ability of the recipient to print or store the electronic record.
- 8 Section 18. If a law other than this Act requires a record to be posted or displayed in a
- 9 certain manner; to be sent, communicated, or transmitted by a specified method; or to contain
- information that is formatted in a certain manner; the following rules apply:
 - (1) The record shall be posted or displayed in the manner specified in the other law;
- 12 (2) Except as otherwise provided in section 20 of this Act, the record shall be sent,
- communicated, or transmitted by the method specified in the other law;
- 14 (3) The record shall contain the information formatted in the manner specified in the other
- law.

- Section 19. If a sender inhibits the ability of a recipient to store or print an electronic record,
- 17 the electronic record is not enforceable against the recipient.
- Section 20. No requirement of sections 17 to 19, inclusive, of this Act may be varied by
- 19 agreement, but:
- 20 (1) To the extent a law other than this Act requires information to be provided, sent, or
- delivered in writing but permits that requirement to be varied by agreement, the
- requirement under section 17 of this Act that the information be in the form of an
- electronic record capable of retention may also be varied by agreement; and
- 24 (2) A requirement under a law other than this Act to send, communicate, or transmit a
- 25 record by first-class mail, may be varied by agreement to the extent permitted by the

- 1 other law.
- 2 Section 21. An electronic record or electronic signature is attributable to a person if it was
- 3 the act of the person. The act of the person may be shown in any manner, including a showing
- 4 of the efficacy of any security procedure applied to determine the person to which the electronic
- 5 record or electronic signature was attributable.
- 6 Section 22. The effect of an electronic record or electronic signature attributed to a person
- 7 under section 21 of this Act is determined from the context and surrounding circumstances at
 - the time of its creation, execution, or adoption, including the parties' agreement, if any, and
- 9 otherwise as provided by law.

- Section 23. If a change or error in an electronic record occurs in a transmission between
- parties to a transaction, the following rules apply:
- 12 (1) If the parties have agreed to use a security procedure to detect changes or errors and
- one party has conformed to the procedure, but the other party has not, and the
- 14 nonconforming party would have detected the change or error had that party also
- 15 conformed, the conforming party may avoid the effect of the changed or erroneous
- 16 electronic record;
- 17 (2) In an automated transaction involving an individual, the individual may avoid the
- effect of an electronic record that resulted from an error made by the individual in
- dealing with the electronic agent of another person if the electronic agent did not
- 20 provide an opportunity for the prevention or correction of the error and, at the time
- 21 the individual learns of the error, the individual:
- 22 (a) Promptly notifies the other person of the error and that the individual did not
- 23 intend to be bound by the electronic record received by the other person;
- 24 (b) Takes reasonable steps, including steps that conform to the other person's
- 25 reasonable instructions, to return to the other person or, if instructed by the

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1		other person, to destroy the consideration received, if any, as a result of the
2		erroneous electronic record; and
3		(c) Has not used or received any benefit or value from the consideration, if any,
4		received from the other person;
5	(3)	If neither subdivision (1) nor (2) of this section applies, the change or error has the
6		effect provided by other law, including the law of mistake, and the parties' contract,
7		if any;
8	(4)	Subdivisions (2) and (3) of this section may not be varied by agreement.
9	Section	on 24. If a law requires a signature or record to be notarized, acknowledged, verified,
10	or made	under oath, the requirement is satisfied if the electronic signature of the person
11	authorize	d to perform those acts, together with all other information required to be included by
12	other app	blicable law, is attached to or logically associated with the signature or record.
13	Secti	on 25. If a law requires that a record be retained, the requirement is satisfied by
14	retaining	an electronic record of the information in the record which:
15	(1)	Accurately reflects the information set forth in the record after it was first generated
16		in its final form as an electronic record or otherwise; and
17	(2)	Remains accessible for later reference.
18	Section	on 26. A requirement to retain a record in accordance with section 25 of this Act does
19	not appl	y to any information the sole purpose of which is to enable the record to be sent,
20	commun	icated, or received.
21	Secti	on 27. A person may satisfy section 25 of this Act by using the services of another
22	person if	the requirements of that subsection are satisfied.
23	Secti	on 28. If a law requires a record to be presented or retained in its original form, or
24	provides	consequences if the record is not presented or retained in its original form, that law is
25	satisfied	by an electronic record retained in accordance with section 25 of this Act.

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Section 29. If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with

- 3 section 25 of this Act.
- 4 Section 30. A record retained as an electronic record in accordance with section 25 of this
- 5 Act satisfies a law requiring a person to retain a record for evidentiary, audit, or like purposes,
- 6 unless a law enacted after the effective date of this Act specifically prohibits the use of an
- 7 electronic record for the specified purpose. This section does not preclude a governmental
- 8 agency of this state from specifying additional requirements for the retention of a record subject
- 9 to the agency's jurisdiction.
- Section 31. In a proceeding, no evidence of a record or signature may be excluded solely
- because it is in electronic form.
- 12 Section 32. In an automated transaction, the following rules apply:
- 13 (1) A contract may be formed by the interaction of electronic agents of the parties, even
- if no individual was aware of or reviewed the electronic agents' actions or the
- resulting terms and agreements;
- 16 (2) A contract may be formed by the interaction of an electronic agent and an individual,
- acting on the individual's own behalf or for another person, including by an
- interaction in which the individual performs actions that the individual is free to refuse
- 19 to perform and which the individual knows or has reason to know will cause the
- 20 electronic agent to complete the transaction or performance;
- 21 (3) The terms of the contract are determined by the substantive law applicable to it.
- Section 33. Unless otherwise agreed between the sender and the recipient, an electronic
- 23 record is sent when it:
- 24 (1) Is addressed properly or otherwise directed properly to an information processing
- 25 system that the recipient has designated or uses for the purpose of receiving electronic

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1		records or information of the type sent and from which the recipient is able to retrieve
2		the electronic record;
3	(2)	Is in a form capable of being processed by that system; and
4	(3)	Enters an information processing system outside the control of the sender or of a
5		person that sent the electronic record on behalf of the sender or enters a region of the
6		information processing system designated or used by the recipient which is under the
7		control of the recipient.
8	Section	on 34. Unless otherwise agreed between a sender and the recipient, an electronic record
9	is receive	ed when:
10	(1)	It enters an information processing system that the recipient has designated or uses
11		for the purpose of receiving electronic records or information of the type sent and
12		from which the recipient is able to retrieve the electronic record; and
13	(2)	It is in a form capable of being processed by that system.
14	Section	on 35. Section 34 of this Act applies even if the place the information processing system
15	is located	is different from the place the electronic record is deemed to be received under section
16	36 of this	s Act.
17	Section	on 36. Unless otherwise expressly provided in the electronic record or agreed between
18	the sende	er and the recipient, an electronic record is deemed to be sent from the sender's place
19	of busines	ss and to be received at the recipient's place of business. For purposes of this section,
20	the follow	ving rules apply:
21	(1)	If the sender or recipient has more than one place of business, the place of business
22		of that person is the place having the closest relationship to the underlying transaction;
23	(2)	If the sender or the recipient does not have a place of business, the place of business
24		is the sender's or recipient's residence, as the case may be.

Section 37. An electronic record is received under section 34 of this Act even if no individual

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- 1 is aware of its receipt.
- 2 Section 38. Receipt of an electronic acknowledgment from an information processing system
- described in section 34 of this Act establishes that a record was received but, by itself, does not
- 4 establish that the content sent corresponds to the content received.
- 5 Section 39. If a person is aware that an electronic record purportedly sent under section 33
- of this Act, or purportedly received under section 34 of this Act, was not actually sent or
- 7 received, the legal effect of the sending or receipt is determined by other applicable law. Except
- 8 to the extent permitted by the other law, the requirements of this section may not be varied by
- 9 agreement.
- Section 40. For purposes of this Act, the term, transferable record, means an electronic
- 11 record that:
- 12 (1) Would be a note under Article 3 of the Uniform Commercial Code or a document
- under Article 7 of the Uniform Commercial Code if the electronic record were in
- writing; and
- 15 (2) The issuer of the electronic record expressly has agreed is a transferable record.
- Section 41. A person has control of a transferable record if a system employed for evidencing
- the transfer of interests in the transferable record reliably establishes that person as the person
- to which the transferable record was issued or transferred.
- 19 Section 42. A system satisfies section 41 of this Act, and a person is deemed to have control
- of a transferable record, if the transferable record is created, stored, and assigned in such a
- 21 manner that:
- 22 (1) A single authoritative copy of the transferable record exists that is unique, identifiable,
- and, except as otherwise provided in subdivisions (4), (5), and (6) of this section,
- 24 unalterable;
- 25 (2) The authoritative copy identifies the person asserting control as:

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1		(a) The person to which the transferable record was issued; or
2		(b) If the authoritative copy indicates that the transferable record has been
3		transferred, the person to which the transferable record was most recently
4		transferred;
5	(3)	The authoritative copy is communicated to and maintained by the person asserting
6		control or its designated custodian;
7	(4)	Copies or revisions that add or change an identified assignee of the authoritative copy
8		can be made only with the consent of the person asserting control;
9	(5)	Each copy of the authoritative copy and any copy of a copy is readily identifiable as
10		a copy that is not the authoritative copy; and
11	(6)	Any revision of the authoritative copy is readily identifiable as authorized or
12		unauthorized.
13	Section	on 43. Except as otherwise agreed, a person having control of a transferable record is
14	the holder	, as defined in Section 1-201(20) of the Uniform Commercial Code, of the transferable
15	record and	d has the same rights and defenses as a holder of an equivalent record or writing under
16	the Unifor	rm Commercial Code, including, if the applicable statutory requirements under Section
17	3-302(a),	7-501, or 9-308 of the Uniform Commercial Code are satisfied, the rights and defenses
18	of a hold	der in due course, a holder to which a negotiable document of title has been duly
19	negotiated	l, or a purchaser, respectively. Delivery, possession, and indorsement are not required
20	to obtain	or exercise any of the rights under this section.
21	Section	on 44. Except as otherwise agreed, an obligor under a transferable record has the same
22	rights and	d defenses as an equivalent obligor under equivalent records or writings under the
23	Uniform	Commercial Code.
24	Section	on 45. If requested by a person against which enforcement is sought, the person seeking

to enforce the transferable record shall provide reasonable proof that the person is in control of

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1 the transferable record. Proof may include access to the authoritative copy of the transferable

- 2 record and related business records sufficient to review the terms of the transferable record and
- 3 to establish the identity of the person having control of the transferable record.
- 4 Section 46. Each governmental agency shall determine whether, and the extent to which, it
- 5 will create and retain electronic records and convert written records to electronic records.
- 6 Section 47. To the extent that a governmental agency uses electronic records and electronic
- 7 signatures under this Act, the commissioner of the Bureau of Information and
- 8 Telecommunications shall promulgate rules pursuant to chapter 1-26 to specify for state
- 9 agencies:
- 10 (1) The manner and format in which the electronic records shall be created, generated,
- sent, communicated, received, and stored and the systems established for those
- 12 purposes;
- 13 (2) If electronic records must be signed by electronic means, the type of electronic
- signature required, the manner and format in which the electronic signature must be
- affixed to the electronic record, and the identity of, or criteria that must be met by,
- any third party used by a person filing a document to facilitate the process;
- 17 (3) Control processes and procedures as appropriate to ensure adequate preservation,
- disposition, integrity, security, confidentiality, and auditability of electronic records;
- 19 and
- 20 (4) Any other required attributes for electronic records which are specified for
- 21 corresponding nonelectronic records or reasonably necessary under the circumstances.
- Section 48. With respect to records under its control, and except as otherwise provided in
- section 30 of this Act, the Board of Regents shall determine whether, and the extent to which,
- 24 the board and the institutions under the board's control shall send and accept electronic records
- and electronic signatures to and from other persons and otherwise create, generate,

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communicate, store, process, use, and rely upon electronic records and electronic signatures. In administering such records, the board may exercise those powers specified in sections 47 and 50 of this Act. However, any public records as defined in § 13-49-31 that the board elects to maintain in electronic form shall be accessible to the public in conformity with the rules the commissioner of the Bureau of Information and Telecommunications promulgates pursuant to sections 47 and 50 of this Act.

Section 49. Except as otherwise provided in section 30 of this Act, this Act does not require a governmental agency to use or permit the use of electronic records or electronic signatures.

Section 50. The commissioner of the Bureau of Information and Telecommunications may encourage and promote consistency and interoperability with similar requirements adopted by other governmental agencies of this and other states and the federal government and nongovernmental persons interacting with governmental agencies of this state. If appropriate, those standards may specify differing levels of standards from which governmental agencies of

this state may choose in implementing the most appropriate standard for a particular application.

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1 **BILL HISTORY**

- 2 1/24/00 First read in Senate and referred to State Affairs. S.J. 168
- 3 1/28/00 Scheduled for Committee hearing on this date.
- 4 1/31/00 Scheduled for Committee hearing on this date.
- 5 2/2/00 Scheduled for Committee hearing on this date.
- 6 2/2/00 State Affairs Do Pass Amended, Passed, AYES 8, NAYS 0. S.J. 278